



Headquarters Policy Flash

FLASH 2002-18

DATE: May 14, 2002
TO: Procurement Directors
FROM: Office of Procurement and Assistance Policy, ME-61
Office of Procurement and Assistance Management

SUBJECT: **Office of Federal Procurement Policy (OFPP) Determination of
Executive Compensation Benchmark Amount**

SUMMARY: The Administrator of OFPP has determined that the "benchmark compensation amount" that is allowable under government contracts is \$387,783 for costs incurred during contractors' fiscal year (FY) 2002. This determination was made pursuant to Section 39 of the OFPP Act (41 U.S.C. 435) and was published in the Federal Register Vol. 67, No. 87, May 6, 2002.

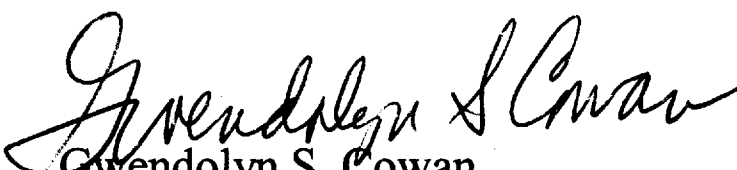
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This "benchmark compensation amount" is to be used for contractor FY 2002 and subsequent contractor FYs unless and until revised by OFPP. This benchmark compensation amount applies to contract costs incurred after January 1, 2002, under covered contracts of both defense and civilian procurement agencies as specified in Section 808 of Pub. L. 105-85.

This "benchmark compensation amount" supercedes the amount cited in Headquarters Policy Flash 2001-15, May 18, 2001.

Applicability to FAR and M&O contracts is addressed at 48 CFR 31.205-6(p) and 48 CFR 970.3102-05-6(p), respectively.

Questions regarding this Flash should be directed to Terry Sheppard at (202) 586-8193 or via e-mail at terry.sheppard@hq.doe.gov


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